control of all property, funds, and assets sufficient to meet grantee needs and grantee audit requirements.

(xiii) Private non-profit agencies or corporations should also be properly incorporated as a non-profit organization with an elected and autonomous board which meets regularly.

(b) Pass-through property and fee limitations. Rehabilitation or Innovation assistance on property not in public ownership, operated by a private nonprofit organization through a passthrough grant, will be limited to that portion of the property which directly provides recreation services. Such recreation services must be available to the public on a non-membership, non-fee, or reasonable fee basis, and during reasonable prime time. If a fee is charged or is required for the services resulting through the Rehabilitation or Innovation grant, the fee should be comparable to prevailing local rates for similar services. Charges for recreation services will only be permitted if they do not unfairly jeopardize participation in the recreation service by the disadvantaged population.

#### §§ 72.38-72.39 [Reserved]

### § 72.40 Historic properties.

Properties listed in or determined eligible for listing in the National Register of Historic Places must be treated in accordance with the Advisory Council on Historic Preservation procedures described in 36 CFR 800, "Protection of Historic and Cultural Properties." Applicants must identify such properties in the preapplication if they are situated at a UPARR grant site.

# § 72.41 Demolition and replacement of existing recreation properties.

Demolition will only be supported when rehabilitation is not feasible or prudent. In the case of demolition, the demolition costs should not exceed 75% of the proposed cost for replacement. The applicant must present a cost analysis (well documented case) for demolition and replacement versus rehabilitation. When assistance for demolition is requested, the applicant must also indicate how the replacement will increase the site's recreation utility,

and how the useable life of the property will be increased.

### § 72.42 Expansion and new development.

- (a) Expansion. Because the UPARR Program is targeted to distressed areas, every assurance should be made that if any expansion takes place, existing recreation facilities are up to building standards and the following general requirements are met.
- (1) The general category of sites/facilities or programs involved must be an identified priority in the jurisdiction's Recovery Action Program.
- (2) The results of the expansion must not substantially increase the personnel or maintenance costs of the applicant jurisdiction's overall recreation system unless expansion of the system has been addressed as a priority in the jurisdiction's Recovery Action Program, and the RAP strategies specifying how the funds for increased personnel or maintenance costs associated with the expansion will be obtained. The preapplication narrative must describe the extent of increased personnel and maintenance for the project(s) included in the proposal, if any, and methods of financing them.
- (3) The expansion must increase the extent, volume, scope, or quality of recreation opportunities to residents of distressed neighborhoods.
- (b) New development. For purposes of this program, new development is defined as the developing for changing of relatively unimproved property which has not previously been developed for recreation. This includes the creation of new parks and facilities.
- (1) Rehabilitation. New development will not be assisted under a rehabilitation grant.
- (2) Innovation. New development may be allowed under an Innovation grant when it is directly related to a specific innovative idea or technique, increases the utility of a property and/or service program, and increases recreation opportunities for users in the target area.

## § 72.43 Fundable elements: Recovery Action Program grants.

Reasonable and documented costs necessary for preparing a Recovery Action Program may be reimbursed by

### § 72.44

UPARR funds from a 50 percent matching grant. These costs may include expenses for professional services; local public meetings; data collection and analysis; preparation, editing and printing of appropriate reports, plans, maps, charts and other documents forming a part of the plan; and supporting costs, supplies and other approved costs. Costs incurred prior to the approval of a Recovery Action Program grant will not be eligible for reimbursement or cost sharing.

#### § 72.44 Fundable elements: Rehabilitation and Innovation grant common elements.

(a) All Rehabilitation and Innovation proposals must be based on priorities identified in the applicant jurisdiction's local Recovery Action Program. An applicant may apply for UPARR assistance only in an amount which, together with other available public and private resources, is adequate to complete the work approved by the grant agreement. The applicant must document the availability and source of these resources at the time of preapplication for UPARR assistance. Fundable elements in both Rehabilitation and Innovation proposals may include: materials and labor, site planning, architectural and engineering fees, and other costs for activities necessary to complete the approved project. Reasonable architectural and engineering fees essential to the preparation of a proposal application, incurred within a period 9 months prior to preapplication submission to NPS, are reimbursable. Architectural and engineering fees prior to the 9 month period will not be eligible for reimbursement or cost sharing. Other costs incurred prior to approval of any UPARR grant, and fees to consultants for preparation of UPARR grant applications are not reimbursable. No more than 5 percent of the total grant cost may be used by the grantee or passthrough sub-grantee for grant administrative costs. The remaining funds must be made available for projects. Any costs incurred for travel outside the local applicant jurisdiction will not be reimbursable without prior approval from NPS.

- (1) Local intent. Rehabilitation and Innovation proposals which provide recreation to residents within a distressed local neighborhood area will be given higher priority. Proposals which have a primary intent to attract or to provide recreation for visitors from outside the applicant jurisdiction, or proposals whose primary objective is the enhancement of the area's economy through the attraction of visitors to the jurisdiction, will not be considered. Innovation proposals which transport residents from distressed neighborhoods to recreation opportunities outside the local jurisdiction, may be considered eligible for funding.
- (2) Conservation and energy. Proposals which foster the conservation of energy and natural resources are encouraged; e.g. improvements in accessibility which reduce the need of automobile transportation, efficient use of electrical or other power sources, and water conservation.
- (3) Multiple site requests. Rehabilitation and Innovation proposals may request funding for neighborhood-oriented recreation facilities or services which affect the entire recreation system of the applicant jurisdiction, several specific sites or areas, or a single site or area. Innovation proposals which affect multiple facilities or services must be oriented to a single purpose, or one basic innovative category or approach.
- (4) Support facilities. The rehabilitation of support facilities for any grant project will be eligible for funding only when such facilities are well defined. are included as part of an overall rehabilitation effort, and provide direct recreation opportunities and benefits to the population being served. Rehabilitation grants may cover costs of remodeling, expanding or developing (see §72.42) existing outdoor or indoor recreation areas and facilities, including improvements in park landscapes and buildings. Assistance for the rehabilitation of multi-service facilities must be prorated to those elements within the proposal necessary for the provision of recreation opportunities.
- (5) Elements excluded from funding. The Act excludes UPARR assistance for major sport arenas, exhibition